Food and Agriculture Organization of the United Nations

08 April 2020

Social protection and COVID-19 response in rural areas

KEY MESSAGES

- Implementing adequate social protection measures in response to COVID-19 is critical to saving both lives and livelihoods. Ensuring that these measures reach rural populations will be key to avoid further spread of poverty and hunger.
- The fight against COVID-19 will be particularly challenging in rural areas. Vulnerable rural populations, in particular women, will be significantly affected by the direct and indirect economic impact of COVID-19, leading to an increase in hunger and poverty.
- Social protection can ensure critical access to health care, provide incentives for compliance with confinement measures, and support income protection for those affected to bounce back from economic and health-related shocks. Social protection's fundamental role is to support risk management. For this reason, 418 social protection schemes have already been adopted or expanded globally to respond to COVID-19.
- Ensuring that social protection measures are adopted and reach rural populations will be critical. The impact of these measures will be severely hampered unless the barriers faced by the rural population, in particular women, children, informal workers, migrants and indigenous groups, to access social protection are explicitly addressed.
- Most measures adopted so far emanate from high- or middle-income countries. While some lower middle-income countries have started taking appropriate measures, the number of low-income countries is still very low (as of 3 April 2020). Low-income, as well as fragile economies, tend to have less developed social protection systems, with limited social insurance coverage, and some patchy social assistance programmes in place, with low institutional capacity and financial constraints that limit universal expansion. Even in these contexts, social protection measures need to be broadly implemented. Challenges to address will be in particular to identify target populations, reach them and actually deliver benefits.
- Financing will be a critical challenge to address. In some cases, innovation must be found in budget reallocations, while in others, international solidarity and support will be required.

RECOMMENDATIONS

- Social protection systems, even in low-income and fragile countries, need to be expanded in response to COVID-19 to protect lives and livelihoods; ensure ongoing access to food; and ensure the resilience of food systems.
- The needs and specificities of rural populations, in particular vulnerable subgroups such as women and girls, indigenous people, people with disabilities, the elderly, migrants and

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seasonal workers, need to be considered when designing and operationalizing new or expanded measures.

- Social protection operations need to be adapted to ensure that no disruptions occur in the delivery of benefits (e.g. removing conditionalities). This will be particularly challenging for the delivery of in-kind benefits or services, as well as cash.
- Emphasis must be placed on the prevention of corruption, extortion or violence, in particular against women and children, who are particularly vulnerable during an emergency.
- Providing adequate social protection support to small-holder vulnerable farmers, herders, fisherfolk and foresters, and those involved along food chains is of key importance during and after this crisis to avoid any food shortages and disruptions that might be triggered by logistical hurdles, labour shortages and panic buying.
- Protecting and supporting livelihoods will require the combination of social protection interventions to protect income and prevent negative coping strategies, and measures to support production throughout the agri-food system (e.g., distribution of seeds, animals, fishing nets, other inputs; training; market access; public purchases from small producers) while ensuring that occupational safety and health measures are put in place and accessible. This approach can provide the right stimulus on the supply side, while avoiding imbalances in supply and demand.
- In contexts where social protection has low coverage and systems are incipient, using existing structures should be encouraged, but the risk of leaving rural populations out should be addressed (if registries contain information with high exclusion errors, etc.)
- Gender-sensitive design and implementation of social protection interventions is crucial to ensure that rural women can participate in, and equally benefit from, these interventions.
- The Food and Agriculture Organization of the United Nations (FAO) has a specific role to play in this response: support the identification of needs specific to rural populations; support governments in the design of adapted interventions and/or, if necessary, delivery of benefits; and coordinate with agricultural sectors, and provide technical support in the design and implementation of complementary productive support when needed. When directly delivering benefits, the Organization will align its operations with governments' actions and guidelines, and contribute to strengthening the system as a whole.

COVID-19 pandemic's impact on the rural poor: a case for social protection

Measures to contain the spread of COVID-19 include strong restrictions of movement that dramatically change daily lives and impact agricultural livelihoods. These measures are particularly difficult for the rural poorest and most vulnerable, who tend to hold jobs and occupations that cannot be performed remotely. This is particularly true for farmers, herders, fisherfolk and foresters. Informality is widespread in rural areas, in particular for women, and closely intertwined with poverty. Many of the world's poor depend on public spaces and movement for their livelihoods, including seasonal agricultural work and traveling to markets to sell or buy produce and/or inputs, etc. When restrictions are implemented that require reduced mobility, many will abruptly lose their source of livelihood. The vast majority of the rural poor are not covered by health insurance or income protections, such as paid sick leave or unemployment benefits, and they will likely face food and nutrition insecurity.

Only 45 percent of the global population is effectively covered by at least one social benefit,1 which will hamper the COVID-19 response. Moreover, only 21 percent of the global population receives adequate coverage (ILO, 2017). This proportion is even lower in rural areas, due to specific barriers. Many categories of rural people are legally excluded from social protection schemes, due to their residence, sector or type of work arrangement. In terms of health insurance, 56 percent of the global population living in rural areas are deprived from essential health coverage (ILO, 2014). Remoteness, low density of population, high mobility and pervasive employment informality all hinder access to social protection, acting as a barrier both for the demand and supply of social protection. Applying or participating in a social protection scheme can often represent a hidden cost that poor rural people cannot bear (Allieu and Ocampo, 2019).

It is critical to provide adequate support for those who are or will become vulnerable to ensure compliance with movement restrictions as well as to prevent an increase in the level and depth of poverty due to COVID-19, which may make it harder for the world to achieve the Sustainable Development Goals (SDGs) by 2030, especially SDG1 (End poverty in all its forms everywhere). Given the lack of alternative income sources and savings, many small-holder farmers, informal and poor workers will be forced to break the distancing and movement restrictions, in order to survive. Due to school closures, children may be put to work in conditions and durations that are harmful to them. Furthermore, migrant remittances will be affected, cutting another important income resource for many rural households.

Social protection measures can play a decisive role in protecting lives and livelihoods by securing incomes, ensuring access to safe, sufficient and nutritious food, providing support with childcare through vouchers, cash or other allowances, insuring against sickness or death risks and facilitating access to health care. For rural areas, if implemented in conjunction with productive and economic interventions, social protection can support farmers, herders, fisherfolk and foresters to continue producing during or after the crisis to ensure food security for themselves and others. Social protection can function as a means of insurance, can facilitate access to credit, and can relax liquidity constraints and smooth consumption, all of which help vulnerable households manage risk. Linkages with institutional purchases and inclusive value chains can further ensure access to markets and value addition opportunities.

Main social protection measures adopted around the world as a response to COVID-19

As of 3 April 2020, 106 countries had adopted or announced a total of 418 social protection measures in response to the COVID-19 pandemic. These schemes are either new, introduced as a specific response to COVID-19, or a modification of existing schemes either through expanded number and type of participants, or expanded or modified benefit level, adapted criteria (for instance by removing conditionalities), or modality. According to Gentilini, Almenfi and Orton (2020), these include:

- Social assistance schemes: especially cash, but also food or other in-kind support, childcare services, adapted school feeding programmes, utility and other debt relief measures. These represent the largest share of programmes.
- Social insurance measures: sick leave, health insurance provision or subsidized premiums, contribution waivers, expanded pension programmes or benefits, or unemployment benefits that are extended in some cases to informal workers.

[1] Figures 1-6 provide more details on coverage by country income levels and type of social protection programmes.

- Labour market measures: wage subsidies, activation measures (labour intermediation, training, etc.), emergency employment programmes and changes in labour regulations.

Many of these countries are either high or upper middle-income countries. However, more and more low middle-income countries are starting to deploy social protection systems to respond to the crisis. A very small number of low-income countries are starting to introduce social protection measures as part of their COVID-19 response, and these are mostly administrative adaptations, in-kind transfers, school feeding and utility waivers (Gentilini, Almenfi and Orton, 2020). This is an issue that will be further analysed below.

Main policy issues

Large shares of the population in rural areas are excluded from social insurance measures due to high informality and low coverage. As such, providing sufficient social assistance measures, expanding the reach of social insurance measures to informal and agricultural sector workers, and ensuring they reach rural populations, is essential to protect lives and livelihoods. These social assistance measures should have sufficient coverage and appropriate benefit levels to achieve their purpose. There is a risk that rural populations may be left behind by social assistance or labour market measures if an approach tailored to the needs and challenges prevailing in rural areas is not adopted. The extension of coverage of social protection to rural areas is hindered by a number of legal, administrative, financial and physical barriers. Ensuring full coverage of rural populations by schemes expanded or created to respond to COVID-19 must specifically address these obstacles. These programmes also need to take into account the voices of vulnerable groups, in particular indigenous groups, to design and implement measures adapted to their reality and needs.

Programme operations may be disrupted by the pandemic, either because of lack of personnel, school closures or prohibition of public gatherings (which would affect in-kind or physical cash delivery at pay points). Innovative practices are being implemented to address these issues. In some countries, school feeding is now offered as take away or delivered directly to children's houses; new schemes have already adopted electronic payment through innovative channels, such as ID cards, etc.

For example, school feeding programmes have been severely curtailed or discontinued in most countries. It is estimated that 320 million children have no access to meals since the outbreak of the COVID-19 crisis. This poses serious food and nutrition security challenges for rural households, not only for the children who are directly affected. Temporary closure of schools can unfortunately lead to definitive withdrawal of some children from school being put instead to support farm work and food production only. The closure of schools seriously affects the long-term development of rural areas, and is particularly detrimental to girls.

For poor and vulnerable rural workers engaged in agricultural activities, such as crop, livestock, fisheries or forestry, supporting their ability to continue producing food and accessing markets is of paramount importance. To do so, it is critical that interventions combine new or expanded social protection schemes with agricultural support and occupational health and safety interventions, ensuring compliance with labour standards and access to critical supplies such as masks, and other protective gear and equipment (FAO, 2018). New or expanded measures should also take into consideration that disruptions in the value chain can pose issues for access to markets for agricultural workers. Measures to ease the burden on youth, particularly those affected by informal employment and working poverty, should also be systematically included.

Many of the adjustments seen thus far have been possible, because social protection programmes are in place, and systems are more or less consolidated. In fragile contexts, or in many low-income countries, where there are non-existent or nascent social protection programmes, additional efforts may be needed to start strengthening such nascent structures. In low-income countries, incipient social protection systems present large coverage gaps. Most countries have at least one social assistance programme targeting the poorest or most vulnerable, and some social insurance schemes, reaching public or private sector employees with stable long-term employment contracts (ILO, 2017). However, in low-income countries, only 18 percent of those in the poorest quintile are covered by a social assistance scheme (World Bank, 2018). This leaves a large share of the population unreached by neither social assistance nor social insurance, but also mostly unaccounted for. Human and financial capacity constraints limit the ability of existing programmes to reach all of the intended beneficiaries. Low ID coverage and lack of functioning or adequate management information systems – to pre-identify potential beneficiaries, keep track of existing ones, or automatically manage programme delivery processes – further exacerbate the inability of these systems to identify, reach and process beneficiary information, creating further administrative inefficiencies which limit the capacity of the social protection system to reach an optimum number of beneficiaries within a given fiscal space. Despite the specific challenges that this poses, given that these contexts also tend to concentrate higher levels of poverty and vulnerability, social protection has an even more important role to play. Combined development and humanitarian financing targeting immediate response, as well as to start building risk-informed mechanisms should be prioritized (FAO, 2017). Expanding existing structures and programmes may be an option as long as its regulations, design and operations do not hinder the possibility of reaching all vulnerable people in rural areas.

Women are particularly vulnerable to COVID-19 and its secondary impacts. As they tend to be in more precarious positions, earn lower income and have less decision-making power, women tend to overwhelmingly bear the burden of care, either of children or the elderly. The spread of the contagion, school closures, lower availability of health services and limitations in movement will increase this burden. This also puts them at higher risk of infection (Wenham, Smith and Morgan, 2020). The epidemic may also expose them to higher levels of stress and violence, and may interrupt access to essential services and products to protect their sexual and reproductive health. In designing and implementing the social protection response to COVID-19, it will be important to take into account gender norms, roles and relations in society, specifically with regards to health care and vulnerability to diseases, in particular COVID-19, and this should be done by incorporating the voices of women, in particular the most affected, into these processes.

Migrant workers are also particularly vulnerable to the restrictions imposed by the crisis, and less likely to be covered by any assistance or insurance mechanism. Many of the most vulnerable migrant labourers are in an impossible situation where they are being forced to return home, or in no way capable of doing so, being either vectors of the disease or living in precarious conditions with no access to services or care. This should be accounted for, and urgent and appropriate responses supported.

FAO's added value in the sector to respond to the crisis

FAO can promote and support the expansion of social protection systems to rural populations in response to COVID-19 to protect livelihoods and ensure continued access to food for the vulnerable throughout the crisis.

FAO puts its expertise in the sector to analyse the specific exposures and challenges faced by the agricultural subsectors with regards to the pandemic, identifying and shining light on specific vulnerabilities of the people who depend on these sectors for their livelihoods.

FAO can support governments in adapting existing social protection schemes or in designing new ones to respond to the particular needs of rural populations, in particular those engaged in agriculture, fisheries, or forestry. This can be done by increasing the reach of social protection systems, by for example registering new people through rural organizations, developing electronic payments, or using input vouchers.

FAO promotes and fosters cross-sectorial coordination between social protection measures and livelihood supports. Achieving synergies between sectors, in particular social protection and agriculture, can maximize impacts on production and food security. This requires strengthening coherence between these sectors during the preparedness and response phases, and providing technical assistance in the design and implementation of complementary productive support interventions.

FAO's action will be coordinated with other United Nations agencies, donors and other development partners as well as with the humanitarian sector, and in line with governments' response and systems.

Social protection comprises the set of policies and programmes that addresses economic, environmental and social vulnerabilities to food insecurity and poverty by protecting and promoting livelihoods (FAO, 2017). These can be classified as:

- Social assistance: non-contributory transfer programmes targeted to the poor, excluded or vulnerable. For instance: social cash transfers, school feeding, food distribution, fee waivers, etc.
- Social insurance: contributory programmes from employees, employers or the state.
- Labour market interventions: provide unemployment benefits, build skills and ensure better access to the workforce (FAO, 2015).

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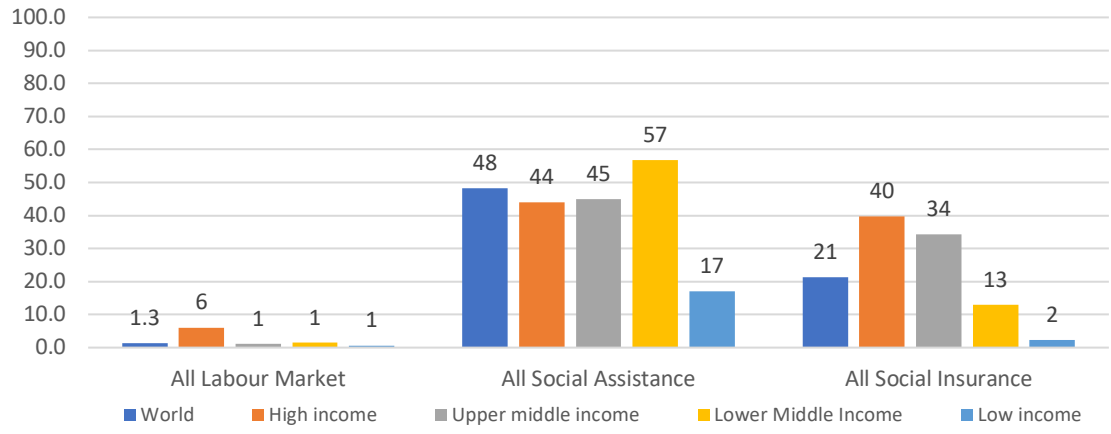
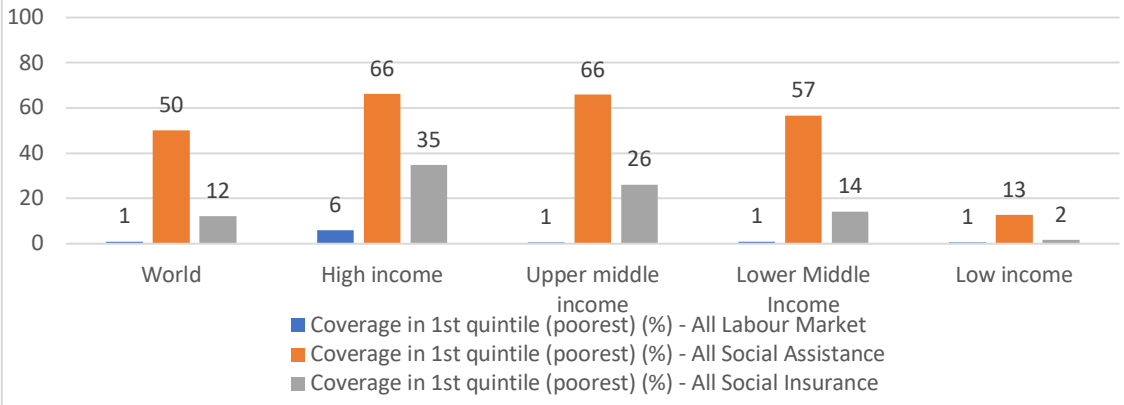
ANNEX 1. SOCIAL PROTECTION COVERAGE DATA

Figure 1. Social protection coverage by type of programme and country income levels



Source: *ASPIRE database*

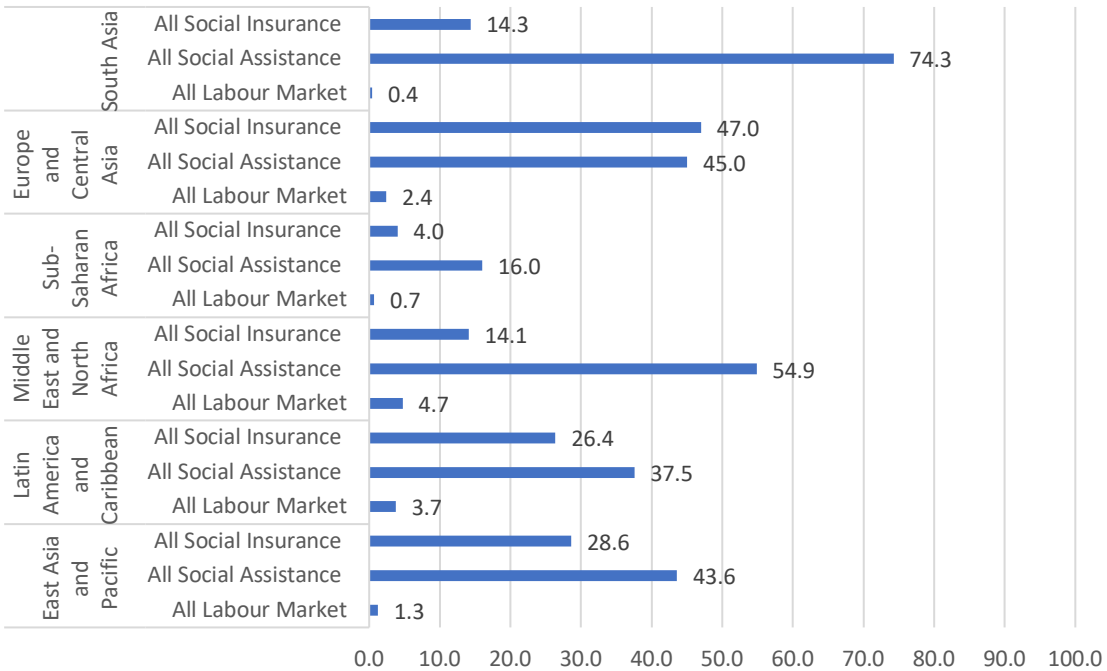
Figure 2. Social protection coverage of the poorest by type of programme



Source: *ASPIRE database*

Note: the total number of countries included in the analysis appears in parentheses. Aggregated indicators are calculated using simple averages of country-level social protection and labour coverage rates, when available for the latest year available between 2008-2016. ASPIRE = Atlas of Social Protection: indicators of resilience and equity.

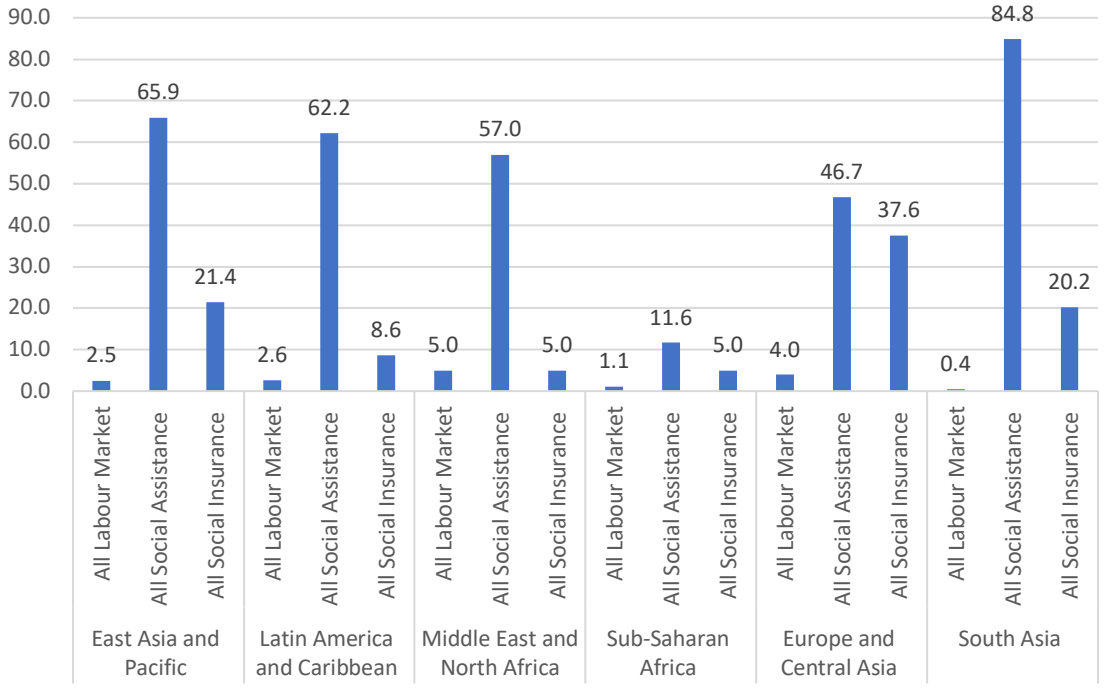
Figure 3. Social protection coverage (%) by programme type


South Asia
All Social Insurance 14.3
All Social Assistance 74.3
All Labour Market 0.4
Europe and Central Asia
All Social Insurance 47.0
All Social Assistance 45.0
All Labour Market 2.4
Sub-Saharan Africa
All Social Insurance 4.0
All Social Assistance 16.0
All Labour Market 0.7
Middle East and North Africa
All Social Insurance 14.1
All Social Assistance 54.9
All Labour Market 4.7
Latin America and Caribbean
All Social Insurance 26.4
All Social Assistance 37.5
All Labour Market 3.7
East Asia and Pacific
All Social Insurance 28.6
All Social Assistance 43.6
All Labour Market 1.3
0.0 10.0 20.0 30.0 40.0 50.0 60.0 70.0 80.0 90.0 100.0

Data source: *ASPIRE Database*

Note: The regional aggregates are those available in the ASPIRE Database, for 2008-2016.

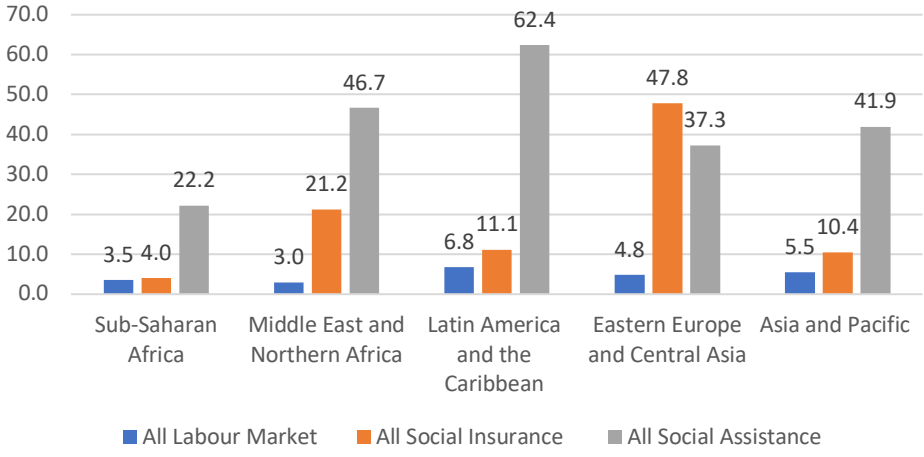
Figure 4. Social protection coverage of the poorest (%) by programme type



Data source: *ASPIRE Database*

Note: The regional aggregates are those available in the ASPIRE Database, latest year available between 2008-2016.

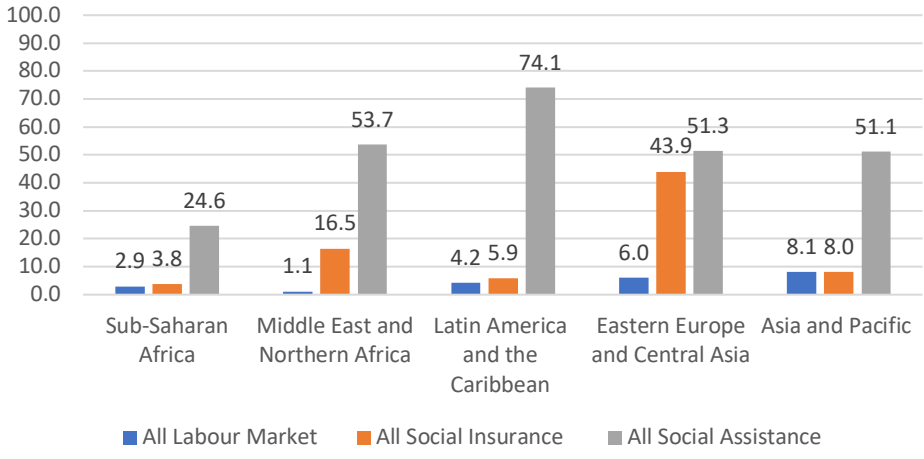
Figure 5. Social protection coverage (%) of rural population by programme type



Data source: *ASPIRE Database*

Note: Aggregated indicators are calculated using simple averages of country-level social protection and labour coverage rates, when available for the latest year available between 2008-2016. For Sub-Saharan Africa, the number of countries included for Labour Market Programmes is n=7, Social Assistance n=30, Social Insurance n=27; for Middle-East and Northern Africa, the number of countries included for Labour Market Programmes is n=3, Social Assistance n=7, Social Insurance n=4; for Latin America and the Caribbean, the number of countries included for Labour Market Programmes is n=9, Social Assistance n=19, Social Insurance n=19; for Easter Europe and Central Asia, the number of countries included for Labour Market Programmes is n=16, Social Assistance n=21, Social Insurance n=20; for Asia and Pacific, the number of countries included for Labour Market Programmes is n=6, Social Assistance n=19, Social Insurance n=17.

Figure 6. Social protection coverage (%) of the poorest by programme type in rural areas



Data source: *ASPIRE Database*

Note: Aggregated indicators are calculated using simple averages of country-level social protection and labour coverage rates, when available for the latest year available between 2008-2016. For Sub-Saharan Africa, the number of countries included for Labour Market Programmes is n=7, Social Assistance n=30, Social Insurance n=27; for Middle-East and Northern Africa, the number of countries included for Labour Market Programmes is n=3, Social Assistance n=7, Social Insurance n=4; for Latin America and the Caribbean, the number of countries included for Labour Market Programmes is n=9, Social Assistance n=19, Social Insurance n=19; for Easter Europe and Central Asia, the number of countries included for Labour Market Programmes is n=16, Social Assistance n=21, Social Insurance n=20; for Asia and Pacific, the number of countries included for Labour Market Programmes is n=6, Social Assistance n=19, Social Insurance n=17.

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